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Dr. Schlesinger:

What follows is a suggestion about the organization of the Office of the DCI. It is concerned with a function that is none of my business and may therefore be presumptive. It may also fly in the face of what is reported to be your dislike for boards, panels and committees. However, the function is one which we are all interested in seeing performed well and this suggestion is offered in that spirit. The proposal was reviewed informally by the DCI's office when it was floated a year ago and was put aside at that time for possible future consideration. This memorandum just dusts it off again.

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To help you fulfill your obligations with regard to resource planning and management, the Office of the DCI will somehow have to organize itself to perform the two functions of budgetary and accounting and fiscal control, and program evaluation and planning. I would like to suggest an organizational concept for the program evaluation and planning function.

I have set aside comment on the budget and fiscal function, thinking that the development and management of an appropriate information and accounting system can be handled by the current IC Staff concept once the authorities of the DCI in this regard have been defined and accepted by the various elements of the community. However, it seems to me that a substantial structural initiative must be taken in order to take on the evaluation and planning function.

I will not presume to describe to you the kind of work that has to be done. It is enough here to say that the Office of the DCI must somehow provide you with information and analyses on issues of the kind which the community has so far found so difficult to address. [redacted] 25X1 25X1

25X1 [redacted] To do this kind of work, the DCI office must provide substantive leadership within the community in performing or directing program analysis and planning studies on those issues you consider important.

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NRO review(s) completed.

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The question is then how to organize to do this job. In considering the alternatives, it is worth ticking off the characteristics that such an organization should have:

- It should be of sufficient stature to attract high quality people.

- It should have sufficient community flavor in its makeup and working procedures to be acceptable to DOD and CIA.

- It should create a strong impression in the White House and Congress that the DCI is taking special actions in organizing for his community responsibilities.

- It should require a minimum of staff in the Office of the DCI.

Of these, the first is crucial. The people in your office will have to produce for you substantive and objective discussions of resource issues to support your decision-making machinery in the face of highly competitive organizational interests. Yet, in the process, they must allow for the participation of these organizations and the expertise that resides in them. Only people of considerable competence and stature can be expected to do this. And when one considers the breadth of issues that need to be dealt with - ranging from technical collection, to data processing and analysis, to clandestine operations - it seems clear that the DCI's office must somehow accommodate a reasonable number of these people.

I believe these considerations argue against the most obvious organizational alternative: to perform the resource analysis and planning function with a staff element in the DCI office. Whatever the level of the staff, it is unlikely that the environment of a staff hierarchy would appear attractive to high caliber people from the government or industry in the number that will probably be required.

Conceivably, you could handle such a group by using them as "special assistants" but that would give you the problem of directing all their efforts and would probably still not provide the look of prestige needed to attract that number of good people.

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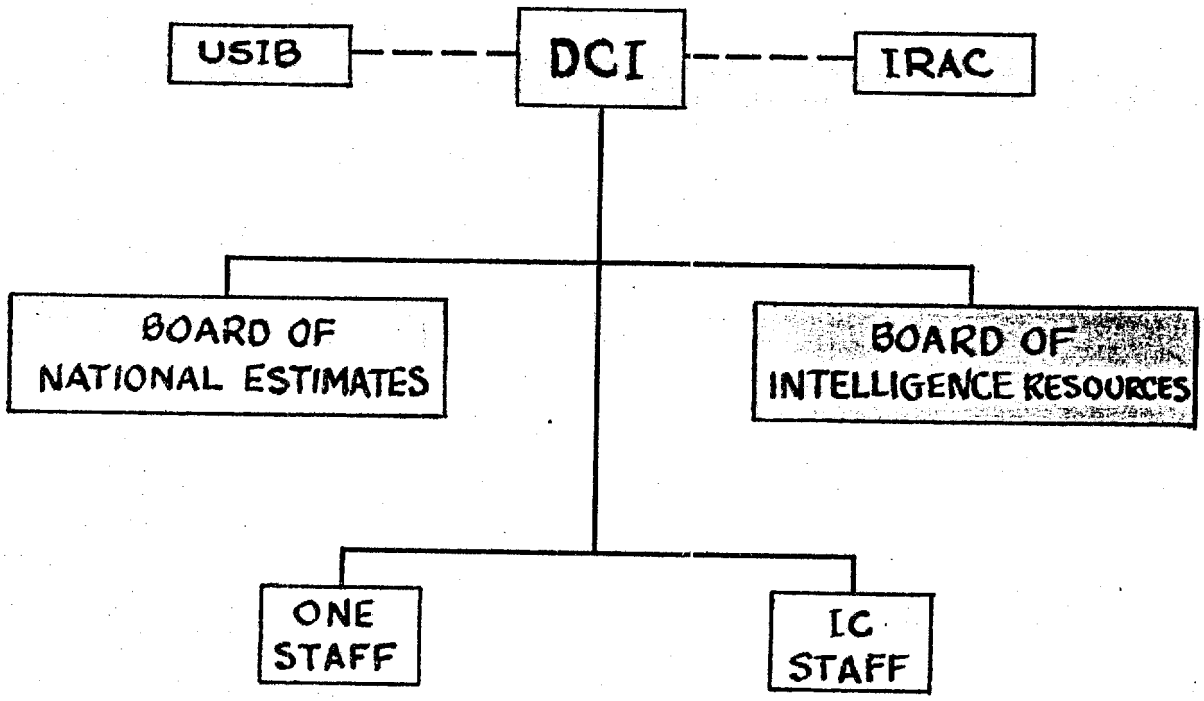
As an alternative, I suggest the formation of a "Board of National Intelligence Resources" supporting you and the IRAC on the resource side, much as the Board of National Estimates supports the USIB.



This would corral the people you select in an organizational structure which would have great bureaucratic visibility and at the same time keep them free from a staff hierarchy which would both be repellant to them and restrict your ability to use them as individuals. Your "Deputy for the Intelligence Community" (the IC Staff director) might also be designated as Board Chairman, thereby making the analytic resources in his staff available to board members. I conceive of the members of this board being selected to serve for two or three year tours and among them include expertise in all the important resource areas including analysis, processing, and human and technical collection. Assuming a board of, say, ten or

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fifteen people, half of them might be selected from within the government and the rest drawn from outside. The board might also include a handful of part-time members to allow you to draw on the services of outside people who are unable or unwilling to leave their present positions. The board members could operate in a number of ways depending on the nature of the problem and your desires -- they could conduct studies themselves with support from IC Staff analysts, they could chair ad hoc groups drawn from the community, they could task community organizations to perform studies, and they could contract outside. Although they would no doubt be assigned ad hoc problems as they arise, their general assignments could be coordinated by you through their chairman and, as a group, their general objective might be to prepare the substance of your annual National Intelligence Program Memorandum and your Planning Guidance, and develop issue papers to support your preparation of the annual budget.

It seems to me that this approach would have the desired characteristics. It would create a prestigious institution whose members could feel they were each working directly for you but in an environment which provided a reasonable possibility for internal coordination and focus. I think you could hope to entice competent people with established reputations into this structure.

Since the board would appear to complement the Board of National Estimates, an already accepted community institution, and since its members would no doubt do much of their work through community representatives, the DOD and the CIA would find it difficult to argue against it.

To those looking in from the outside, the change in the organization chart - the "Board of National Intelligence Resources" supporting IRAC and taking its place on the other side of the DCI from the "Board of National Estimates" - would be impressive and logical.

Finally, a board accommodating ten or so high grade positions would provide a valuable mechanism for broadening the experience of those senior government people who are selected to serve. One can conceive of this being a key instrument in encouraging the eventual rotation of senior people among the various components of the community, and having a long range benefit of improving inter-organizational communication and generating a more balanced perspective within those organizations about the total intelligence process.

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Donald H. Steininger

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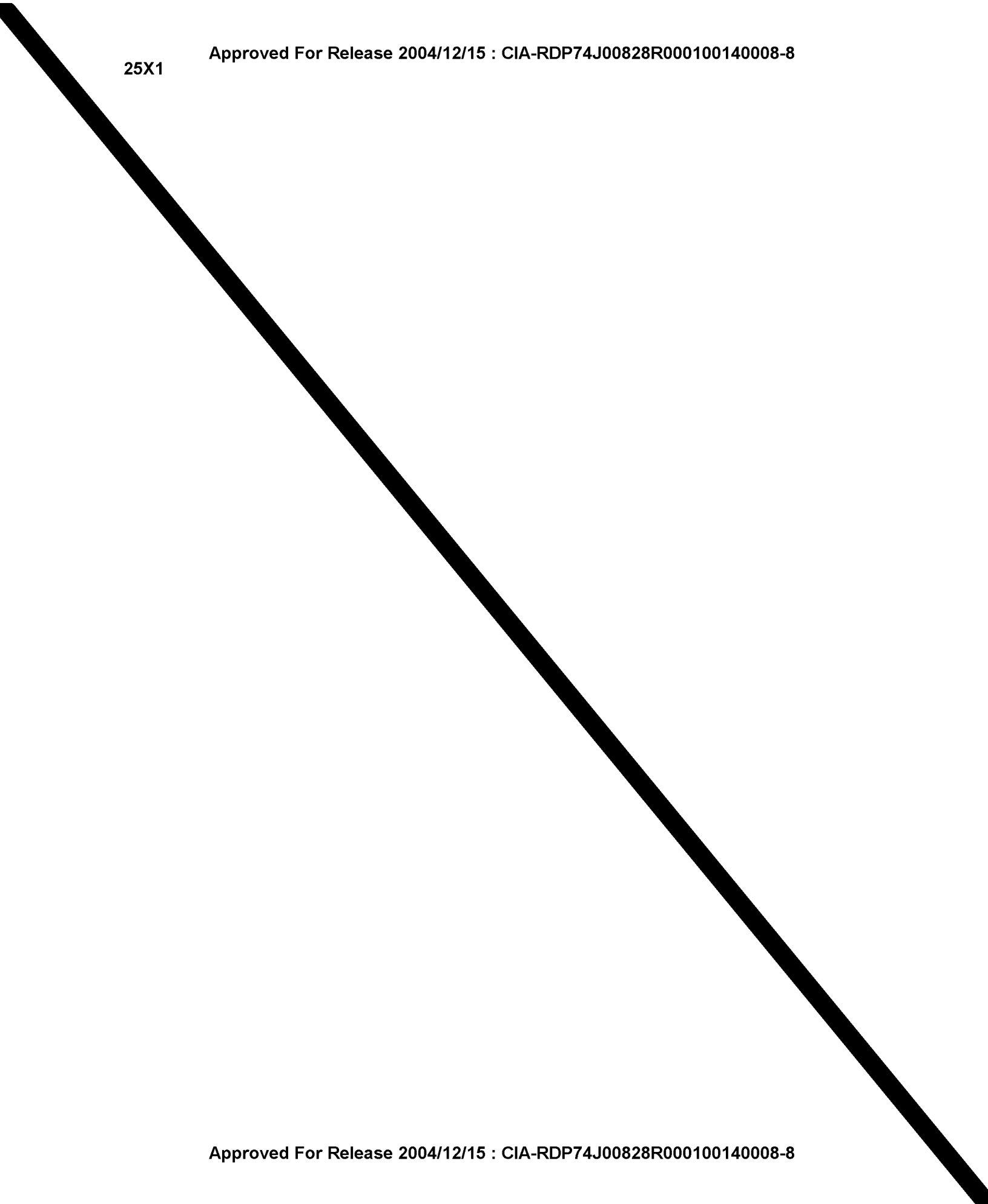

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